

**APPLICATION FOR PERMISSION TO CHANGE POINT OF DIVERSION, MANNER
OF USE AND PLACE OF USE OF THE PUBLIC WATERS OF THE STATE OF
NEVADA HERETOFORE APPROPRIATED**

Date of filing in State Engineer's Office MAR 03 2004

Returned to applicant for correction _____

Corrected application filed _____

Map filed JAN 22 2001 under 66868

The applicant **Douglas County**, a political subdivision of the State of Nevada, hereby makes application for permission to change the **Point of Diversion and Place of Use** of a portion of water heretofore appropriated under **Permit 54652**

1. The source of water is **Underground**
2. The amount of water to be changed **0.2287 c.f.s. not to exceed 59.79 acre-feet**
3. The water to be used for **Quasi-Municipal & Domestic**
4. The water heretofore permitted for **Quasi-Municipal & Domestic**
5. The water is to be diverted at the following point **SE¼ NE¼, Section 17, T.13N., R.20E., M.D.B.&M., or at a point from which the Center of said Section 17 bears S. 86°50'38" W., a distance of 1870 feet. Refer to map filed under Permit 66868.**
6. The existing permitted point of diversion is located within **NE¼ NW¼, Section 32, T.14N., R.20E., M.D.B.&M., or at at point from which the NE Corner of said Section 32 bears N. 89°27'30" E., a distance of 2680 feet. Refer to map filed under Permit 54651**
7. Proposed place of use **See Attachment "A". Also refer to map on file under Permit 63817-T**
8. Existing place of use **NW¼, N½ SW¼, Section 28; NE¼, N½ SE¼, SE¼ SE¼, Section 29, T.14N., R.20E., M.D.B.&M. Also refer to map on file under Permit 52692**
9. Use will be from **January 1 to December 31** of each year.
10. Use was permitted from **January 1 to December 31** of each year.
11. Description of proposed works **Completed – South Airport Well. Refer to Permits 67437 and 67438**
12. Estimated cost of works **\$600,000.00 – Refer to Permits 67437 and 67438**
13. Estimated time required to construct works **Completed – Refer to Permits 67437 & 67438**
14. Estimated time required to complete the application of water to beneficial use **5 years**
15. Remarks: **Water under this application & Application to Change Permit 54651 is being dedicated for serving 71 single family homes and open space within Unit 8 of Saratoga Springs Estates. The total combined duty of this application and Application 54651 is not to exceed 59.79 acre-feet annually.**

By **Gregory M. Bilyeu**
s/**Gregory M. Bilyeu**
500 Damonte Ranch Parkway, #1056
Reno, NV 89521

Compared cmf/sam ag/sam

Protested _____

APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This permit to change the point of diversion and place of use of a portion of the waters of an underground source as heretofore granted under Permit 54652 is issued subject to the terms and conditions imposed in said Permit 54652 and with the understanding that no other rights on the source will be affected by the change proposed herein. The well shall be equipped with a 2-inch opening and a totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water placed to beneficial use. The totalizing meter must be installed before any use of the water begins or before the proof of completion of work is filed. If the well is flowing, a valve must be installed and maintained to prevent waste. This source is located within an area designated by the State Engineer pursuant to NRS 534.030. The State retains the right to regulate the use of the water herein granted at any and all times.

This permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

The total combined duty of water under Permits 70917 and 70918 shall not exceed 59.79 acre-feet annually.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

Monthly records shall be kept of the amount of water pumped from this well and the records submitted to the State Engineer on a quarterly basis within 15 days after the end of each calendar quarter.

The issuance of Permits 70917, 70918, 71076 and 71077 will totally abrogate Permits 54651 and 54652.

(CONTINUED ON PAGE 3)

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 0.2287 cubic feet per second, but not to exceed 59.79 acre-feet annually.

Work must be prosecuted with reasonable diligence and be completed on or before:

N/A

Proof of completion of work shall be filed on or before:

N/A

Water must be placed to beneficial use on or before:

October 23, 2009

Proof of the application of water to beneficial use shall be filed on or before:

November 23, 2009

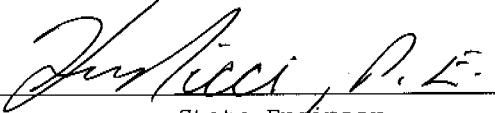
Map in support of proof of beneficial use shall be filed on or before:

N/A

IN TESTIMONY WHEREOF, I, HUGH RICCI, P.E.,

State Engineer of Nevada, have hereunto set
my hand and the seal of my office,

this 14th day of October, A.D. 2004



State Engineer

Completion of work filed Mar 19 2003 under 67437

Proof of beneficial use filed _____

Cultural map filed N/A

Certificate No. _____ Issued _____

Exhibit "A"

7. Proposed Place of Use:

East Valley Water System Service Area:

The S 1/2 of the SE 1/4 of Section 20; the S 1/2 of the SW 1/4 of Section 21; the SW 1/4 of the SE 1/4 of Section 21; the SW 1/4 of Section 26; the SE 1/4 of Section 27; the W 1/2 of the SW 1/4 of Section 27; a portion of the SE 1/4 of the SW 1/4 of Section 27; all of Section 28; the S 1/2 of Section 29; the NE 1/4 of Section 29; the SE 1/4 of Section 30; the E 1/2 of Section 31; all of Sections 32, 33 and 34; the W 1/2 of Section 35; all within Township 14 North, Range 20 East. The W 1/2 of Section 2; the SW 1/4 of the NE 1/4 of Section 2; the NW 1/4 of the SE 1/4 of Section 2; the S 1/2 of the SE 1/4 of Section 2; all of Section 3; the N 1/2 of Section 4; the SW 1/4 of Section 4; the N 1/2 of the SE 1/4 of Section 4; the SE 1/4 of the SE 1/4 of Section 4; all of Section 5; the E 1/2 of Section 6; the E 1/2 of Section 7; all of Section 8; the W 1/2 of Section 9; the E 1/2 of the NE 1/4 of Section 9; the N 1/2 of Section 10; the NW 1/4 of Section 11; the W 1/2 of the NE 1/4 of Section 11; a portion of the NE 1/4 of the NE 1/4 of Section 11; the NW 1/4 of Section 16; a portion of the NW 1/4 of the SW 1/4 of Section 16; the NE 1/4 of Section 17; a portion of the NE 1/4 of the SE 1/4 of Section 17; the N 1/2 of the NW 1/4 of Section 17; a portion of the N 1/2 of the NE 1/4 of Section 18; all within Township 13 North, Range 20 East, M.D.B. & M.

Refer to map on file under Permit 63817-T